

Message Text

CONFIDENTIAL

PAGE 01 BRASIL 05034 191506Z
ACTION EB-07

INFO OCT-01 ARA-10 IO-13 ISO-00 FEA-01 AGRE-00 CEA-01
CIAE-00 COME-00 DODE-00 FRB-03 H-01 INR-07 INT-05
L-03 LAB-04 NSAE-00 NSC-05 PA-01 EPG-02 AID-05
SS-15 STR-04 ITC-01 TRSE-00 USIA-06 PRS-01 SP-02
OMB-01 /099 W
-----005188 191508Z /40

P R 181950Z JUN 77
FM AMEMBASSY BRASILIA
TO SECSTATE WASHDC PRIORITY 2314
INFO USMISSION GENEVA

C O N F I D E N T I A L BRASILIA 5034

ALSO FOR USMTN

EO 11652 GDS
TAGS ETRD BR
SUBJECT: US-BRAZIL BILATERAL TRADE CONSULTATIONS

REF: A. USDEL SECRETARY IN GRENADA SECTO 06014 B. STATE 139921

1. SUMMARY. EMBASSY HAS PROPOSED MEETING OF CONSULTATIVE SUBGROUP ON TRADE AND, IN CONJUNCTION WITH THIS, BILATERAL CONSULTATION ON MTN. BRAZILIAN RESPONSE POSITIVE. EMBASSY REQUIRES SPECIFIC DATES AND PROPOSED AGENDA ITEMS TO PRESENT TO GOB. END SUMMARY.

2. PURSUANT TO SECRETARY'S AND FOREIGN MINISTER SILVEIRA'S AGREEMENT FOR AN EARLY MEETING OF THE SUBGROUP ON TRADE (REFTELA) AND PER INSTRUCTION (REFTEL B), EMBOFF MET WITH COUNSELOR GURGEL DE ALENCAR NETTO, CHIEF OF FONMIN'S TRADE POLICY DIVISION ON JUNE 17. EMBOFF PROPOSED MEETING OF SUBGROUP TAKE PLACE SOME TIME DURING FIRST HALF OF SEPTEMBER AND THAT IN CONJUNCTION WITH THE MEETING OF THE SUBGROUP, THERE BE A FULL DRESS BILATERAL CONSULTATION ON THE MTN TO EXAMINE WAYS OF ACCELERATING THE PACE OF THE GENEVA NEGOTIATIONS. ALENCAR WAS VERY POSITIVE ON BOTH PROPOSALS.
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 BRASIL 05034 191506Z

HE DEEMED A MTN BILATERAL A "LOGICAL AND INTEGRAL PART OF THE SUBGROUP" AND FORESAW NO DIFFICULTY FOR THE GOB SENDING A DELEGATION TO WASHINGTON DURING THE FIRST HALF OF SEPTEMBER.

3. ALENCAR RESERVED A FINAL COMMITMENT ON THE MEETING UNTIL HE HAD THE OPPORTUNITY TO DISCUSS THE US PROPOSAL WITHIN THE GOB. HE SAID THE US IDEAS WOULD BE REVIEWED WITH FOREIGN MINISTER

SILVEIRA IMMEDIATELY UPON HIS RETURN FROM GRENADA THIS WEEKEND. ALENCAR SAID HE WOULD BE IN TOUCH WITH THE EMBASSY NEXT WEEK AND WOULD LIKE TO DISCUSS INFORMALLY A POSSIBLE AGENDA FOR THE MEETING AT THAT TIME.

4. ALENCAR MENTIONED THREE ITEMS "WHICH COME READILY TO MIND": US GSP (HE NOTED THAT THE BRAZILIAN EMBASSY HAD RECENTLY RESPONDED TO THE DEPARTMENT'S REQUEST FOR ADDITONS TO GSP AND THAT AT SUBGROUP MEETING THE GOB MAY HAVE FURTHER ADDITONS TO REQUEST); BRAZIL'S SEEKING INCLUSION OF SUGAR UNDER GSP; AND EFFECT OF US CHANGES OF TEXTILE CLASSIFICATION ON BRAZIL-US TEXTILE AGREEMENT. HE EXPRESSED HOPE THAT THE LATTER TWO ITEMS WOULD BE RESOLVED PRIOR TO THE SUBGROUP MEETING.

5. EMBOFF SAID THAT WHILE THERE WAS NO CLEARED US PROPOSAL FOOR THE AGENDA, SOME ITEMS WERE RATHER APPARENT SUCH AS BRAZILIAN IMPORT RESTRICTIONS, ESPECIALLY IN VIEW OF BRAZIL'S TRADE SURPLUS SO FAR THIS YEAR, PROGRESS IN REMOVAL OF SUBSIDIES ON BRAZILIAN EXPORTS, AND BRAZIL'S COFFEE AND SOYBEAN MARKETING POLICIES. EMBOFF ALSO MENTIONED THE POSSIBLE DESIRABILITY OF A SIDE MEETING OR CREATION OF A WORKING GROUP ON SOYBEANS.

6. EMBASSY WOULD APPRECIATE EARLY ADVISE ON AGENDA ITEMS TO BE PROPOSED TO THE GOB. WE ALSO WISH TO SUGGEST THAT OBJECTIVES OF MEETING AND PROPOSED AGENDA BE DISCUSSED WITH AMBASSADOR CRIMMINS WHO WILL BE ON CONSULTATION IN WASHINGTON WEEK OF JUNE 20. PLEASE ADVISE EMBASSY OF SPECIFIC DATES WE MAY PROPOSE TO GOB FOR MEETING.

7. COMMENT. WHILE EMBASSY, IN INTEREST OF SAVING TIME, HAS MADE CONFIDENTIAL

CONFIDENTIAL

PAGE 03 BRASIL 05034 191506Z

PRESENTATION IN THE TERMS OF REFTEL B, WE ARE PUZZLED BY THE REFERENCE TO A BILATERAL CONSULTATION ON THE MTN TO BE HELD "IN CONJUNCTION WITH A MEETING OF THE CONSULTATIVE SUBGROUP ON TRADE." REVIEW OF THE PROGRESS OF THE MTN, WITH EMPHASIS ON NEGOTIATING ISSUES ON WHICH BRAZIL HAS A PROMINENT ROLE, HAS ALWAYS BEEN A MAJOR PART OF THE SUBGROUP'S AGENCA. IN RECOGNITION OF THIS PRINCIPAL PURPOSE, AS WELL AS STR'S RESPONSIBILITIES IN THE FIELD OF TRADE POLICY, THE DEPUTY SPECIAL REPRESENTATIVE FOR TRADE NEGOTIATIONS IS CO-CHAIRMAN OF THE US DELEGATION UNDER THE TERMS OF REFERENCE ESTABLISHED AND AGREED FOR THE SUBGROUP. ALENCAR, AWARE OF THIS BACKGROUND, CLEARLY SAW THE CONSULTATION ON THE MTN AS AN INTEGRAL PART OF THE SUBGROUP'S WORK, AND STRESSED THAT ON THE BRAZILIAN SIDE PARTICIPANTS IN THE DISCUSSION OF MTN AND BILATERAL ISSUES WOULD BE THE SAME, AS IN THE PAST. EMBASSY BELIEVES THAT THE INTEGRITY OF THE SUBGROUP SHOULD BE MAINTAINED AND THAT MTN ISSUE SHOULD CONTINUE TO BE REVIEWED IN THAT AGREED FORUM. THIS, OF COURSE, SHOULD NOT PRECLUDE SEPARATE CALLS ON AND DISCUSSIONS WITH MORE SENIOR LEVEL OFFICIALS WHICH HAVE BEEN HIGHLY USEFUL IN THE PAST AND, WE HOPE, COULD AGAIN BE ARRANGED

DURING FORTHCOMING MEETING OF THE SUBGROUP.
CRIMMINS

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TRADE PROMOTION, MEETING AGENDA, DIPLOMATIC DISCUSSIONS, MEETING DELEGATIONS
Control Number: n/a
Copy: SINGLE
Sent Date: 18-Jun-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977BRASIL05034
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770219-0051
Format: TEL
From: BRASILIA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770643/aaaableu.tel
Line Count: 118
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 0870827a-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 06-Dec-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2105259
Secure: OPEN
Status: NATIVE
Subject: US-BRAZIL BILATERAL TRADE CONSULTATIONS
TAGS: ETRD, BR, US
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/0870827a-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009